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February 16, 1993

Ms. Donna Searcy, Sec'y.
Federal Communications Commission
1919 "M" Street N.W.
Room 222 Stop Code 1170
Washington, D.C. 20554

Dear Ms. Searcy:

This letter is in response to the FCC request for comments on CC Document Number 92-297.

I have enclosed an original and four {4} copies as requested. When the FCC completes its' review of all the submitals I would appreciate receiving a copy of the decisions.

Thank you for the opportunity to present my views.

Respectfully,

6.8tamley Fischman Managing Director

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February 10,1993

Gentlemen:

In regard to your request for comments on, "Rulemaking to Amend Part 1 and 21 of the Commission's Rules and to Establish Rules and Policies for Local Multipoint Distribution Service". I hereby reply with the following:

- STRUCTURE AND ASSIGNMENT SCHEME
 This is definitely a flexible and creative plan giving
 licencees the ability to grow with technology and
 change the delivery system in the future as new
 methodology is introduced.
- 2. SERVICE AREAS Due to the service range of the transmission it would appear that the more LMDS authorizations at that frequency the more complete the system. This would allow maximizing subscriptions.
- 3. TECHNICAL ISSUES
 I believe the frequency will impose enough
 restrictions suchas, power and environmental noise
 characteristics.
- 4. STATUS OF LICENSES No comment.
- 5. CROSS OWNERSHIP If the FCC is looking for a competitive system then it must open it up to all comers since eventually the major players in the industry will impact the system. This would eliminate the problem of equal access to programming.
- 6. SELECTION OF LICENSEES

 Unequivocally it should be a lottery! Any other method of award will lock out the smaller entrepreneur giving it all to the giants in telecommunications. A solution could be to allow the license holder to take a seasoned partner in the industry that operates in the license area but is not a competitor.

7. SETTLEMENTS

Not having any experience with settlement groups I have no comment.

In regard to the sale of licenses, it would behoove the commission to permit the sale if the market is not capable of being profitable as a stand-alone system. The ultimate goal is to have a continuous communications system serving the people. A recommendation would be for the original owner maintain a 20% ownership for 3 to 5 years allowing the new majority owner to file a consolidated tax return.

8. TRANSFERS AND LICENSE TERMS

I don't believe it is in the best interest of the FCC to dictate how a license is funded since the FCC can approve or disapprove a license transfer.

The license term could be 5 years with an FCC review to determine whether all requirements were met. If so the license would be extended an additional 10 years. If non-compliant the FCC could allow 6 months to conform. At that time if the organization has not met the requirements, a period of 12 months would be permitted to divest their interest.

9. APPLICATION REQUIREMENTS

The postcard submital would expedite the process since the FCC would not have to scan multi-page applications until after each market is chosen thereby reducing the volume of paper handling. This method would also eliminate second place protests.

The 30 day submital is not realistic from the standpoint of the engineering documentation required.

10. ONE-TO-A-MARKET

It appears at the outset that would be an acceptable method for fair distribution.

A 60 day submittal would be more acceptable.

11. FINANCIAL SHOWING

I agree with the submittal of a business plan and coverage of 90% of the geographical area licensed. I do not agree with the limiting of additional funds since you can't always determine the economic climate or the change in a financial institution's agreement to fund a project.

12. CONSTRUCTION DEADLINE

Three years is a reasonable time period.

13. FILING DATA

The one day window would be feasible with a 90 day notification time. If the postcard method is used then a 15 day notification time would be acceptable.

14. FEES

If the postcard method is prevails, it will have to be modified to include the filing fee of \$155.00. The additional fee of \$455.00 for each channel should be amortized over the 3 year buildout. If not paid, then the license could be lifted. An extension of payment could be considered at the discretion of the FCC.

I am in favor of "Pioneer Preference" if it is not one of the major markets and if "Suite 12" releases its technology for the set-top converter so that other companies can manufacture the unit, eliminating the possibility of a "Sole Source" manufacturer.

Respectfully,

Sastanley Fischman Managing Director